HAZARDOUS WASTE SECTION - COMPLIANCE BRANCH FILE TRANSMITTAL & DATA ENTRY FORM

Your Name: Jeff Menzel

Facility ID Number: NCR000159038

Facility Name: Horsehead Metal Products, Inc. **Document Group:** Inspection/Investigation (I))

Document Type: I - Focused Compliance Inspection (FCI)

Description for File (for CARA): Site visit to if facility is subject to regulations under 40 CFR

261.4(c).

Date of Document: 4/22/2016

Author(s) of Document: Jeff Menzel

Inspector ID #: NC014 Suborganization: Western Region

Comments for RCRAInfo:.

County (if not on report):



DONALD R. VAN DER VAART Secretary MICHAEL SCOTT Acting Director

DIVISION OF WASTE MANAGEMENT (DWM) HAZARDOUS WASTE SECTION (HWS) / COMPLIANCE BRANCH

RCRA SITE VISIT REPORT

1. <u>Facility Information</u>: Horsehead Metal Products, Inc.

484 Hicks Grove Road

Mooresboro, North Carolina 28533

Rutherford County EPA ID NCR000159038

2. <u>Facility Contact</u>: Mr. Jim Harris, Environmental Manager

3. HWS-Inspectors: Mr. Jeff Menzel, NC HWS-Environmental Senior Specialist

Mr. Brent Burch, Compliance Branch Head

4. <u>Date/Time of Investigation</u>: April 22, 2016 Arrived: 10:00am – Departed: 2:00pm

Date of Report: April 25, 2016 - Prepared By: Jeff Menzel

5. Participants: Mr. Brent Burch, NCDEQ

Mr. Jim Harris, Horsehead

Mr. Anthony, Staley Horsehead Mr. Greg, Belland, Horsehead Mr. Kenneth Rahme, EPA

6. Purpose of Inspection: Compliance Inspection

7. Report:

On April 22, 2016 Mr. Brent Burch and I conducted a compliance inspection at Horsehead Metal Products, Inc. in Mooresboro, North Carolina. The purpose of this announced site visit was to determine if stored materials are becoming subject to regulations under 40 CFR 261.4(c).

The Site is approximately 196 acres in size and is located at 484 Hicks Grove Road in Mooresboro, North Carolina. Primary operations at the Site consist of zinc metal production via solvent extraction and electrowinning.

Falling zinc prices in late 2015 along with a missed \$1.9 million payment for a convertible note in early January 2016, led to the idling of the Mooresboro plant on January 22, 2016 and, within only a few weeks, the filing in U.S.

Bankruptcy Court for Delaware. Idling of the plant for greater than 90-days subjects the process tanks, pipes, and other units to being regulated according to 40 CFR 261.4(c).

The facility has completed work to improve issues that have been noted during previous visits. Specifically, all the secondary containments have been, or are in the process of being, emptied and pressure washed. There are plans to recoat those that need it. All tanks in idled processes have been emptied and sent to other Horsehead facilities. The lagoons have been pumped down and the solids are being dewatered via a belt press and the dried cake is being transported to another facility for zinc recovery. Based on what was observed, the facility did not have any materials on-site that would fall under NCDEQ's regulatory authority as a hazardous waste due to process shut down.

A restructuring plan was filed with the bankruptcy courts April 14th. It includes a "DIP" (Debtors in Possession) plan where investors promised \$82.5 million of funding to be used during the bankruptcy. The same investors restructuring plan has an additional \$250 million of financing to get the company out of bankruptcy. Approximately \$150 million of that would go toward capital improvements at the Mooresboro facility. The improvements will take time to execute and the facility is expecting to begin operations again late summer or early fall 2017.

At this time there is no expected enforcement as a result of materials becoming subject to RCRA regulations under 40 CFR 261.4(c).

04/25/2016

JEFF MENZEL, / DATE
NC HWS-COMPLIANCE BRANCH

MR.JIM HARRIS via email FACILITY REPRESENTATIVE

cc:

Brent Burch, Compliance Branch Head Central Office Files



DONALD R. VAN DER VAART MICHAEL SCOTT

Acting Director

ATTACHMENT A HORSEHEAD METAL PRODUCTS, INC. MOORESBORO, NORTH CAROLINA **COMPLIANCE EVALUATION INSPECTION PHOTOGRAPHS APRIL 22, 2016**





WOX wash clarifer.



Final Residue Press area.



Final Residue Press area.



SX area secondary containment



Raffinate Area secondary containment













